

Bear River District

CDBG Allocation Policies

2009 Funding Year

1) The highest ranked CDBG project should be funded first, by allocating only enough CDBG funds for the most cost effective use of CDBG funds without reducing the number of LMI benefits. As a rule, funding requests should not be reduced if it would mean a reduced scale of the project unless the project is the last one funded. The next ranked project should be considered and funded similarly. This process should continue until the funds available are exhausted. In the event of a tie for the last funding position, the project with the most project beneficiaries will be funded.

2) Community development projects may be skipped in the allocation process at the discretion of the Investment Strategy Council if they do not meet the General Policies and the Threshold Policies.

3) Applicants must participate in the regional consolidated planning process which ensures that projects considered for funding are those which are of high priority and part of the applicant's previous planning process. Applicants and those submitting projects through a sponsoring city or county must make reasonable effort to amend the sponsor's capital improvement list in a timely manner as determined by the ISC.

4) Investment Strategy Council (ISC) and BRAG staff will review and rate and rank all applications concurrently. Applicants will be invited to meet with the ISC and staff for a brief presentation of the proposed project.* ISC/RRC determines final rating and ranking and recommends to Governing Board for approval

* Representatives of the sponsor may make a short presentation (about 10 minutes) and will then be asked about any aspects of the application or project which might need further clarification including, but not limited to, status of matching funds and justification of the design and costs.

5) These policies may be revised from time to time in public meetings in order to reflect the changing public interest.

6) Since funds are available from the Safe Drinking Water Committee and the Board of Water Resources, the maximum CDBG allocation per water project will be 30% of total project cost. Additional CDBG funds may be available after all other eligible requests have been filled.

7) The Investment Strategy Council may request an allocation from the State Emergency Allocation Fund on behalf of a city or county, as funds are available. The Investment Strategy Council has defined "emergency" to mean any need by a city or county which could not have been foreseen (i.e. fire, flood, act of God) and where no other alternative funding or temporary solution is available. Such projects must meet a CDBG national objective, but do not necessarily have to go through the formal CDBG rating and ranking process. The Council will review and approve all such applications on a case by case basis. This decision must be ratified by the Bear River Association of Governments Governing Board before it is forwarded to the State for final approval.

8) When a city or county presents a project that is intended to address an emergency situation that is a clear threat to public health and safety, the Investment Strategy Council may determine said project to meet the third national objective of the CDBG program. In this case the applicant may present their application in accordance with policy 7 above.

- 9) When an applicant submits more than one application, only the highest ranked application will be considered for funding unless all other projects have been funded. This excludes applications that are sponsored by a political entity on behalf of another party.
- 10) The following guideline should be adhered to by all applicants: The minimum CDBG allocation per project will be \$30,000 and the maximum shall be \$100,000. At the discretion of the ISC, applicants can request the ceiling be raised for their projects based on the following: multiple entity collaboration or emergency health and safety needs.
- 11) School Districts are not eligible for CDBG funding unless special approval is given by the Investment Strategy Council.
- 12) Additional CDBG funding will not be considered for existing CDBG grantees due to cost overruns. Extraordinary events may be reviewed on a case by case basis by the Investment Strategy Council.
- 13) Multiple year projects are not allowed except at the discretion of the Investment Strategy Council. Projects that were only partially funded (due to lack of funds) can be considered for multiple year status in an effort to make whole the original funding request.
- 14) The Investment Strategy Council may approve regional CDBG set-asides under the following three conditions: a) they are consistent with the priorities established in the Bear River District Consolidated Plan; b) they are approved prior to the CDBG applicant “How-to-Apply” meetings for the region; and c) the opportunity for public comment is accommodated by publishing the proposed allocation in the region’s newspapers and receiving public input via a public hearing.
- 15) Public service providers, traditionally non-profit organizations, are encouraged to apply for CDBG funds for capital improvements and major equipment purchases. Examples are delivery trucks, furnishings, fixtures, computer equipment, construction, remodeling, and facility expansion. State policy prohibits the use of CDBG funds for operating and maintenance expenses. This includes paying administrative costs, salaries, etc. No more than 15 percent of the state’s yearly allocation of funds may be expended for public service activities.
- 16) BRAG will only sponsor CDBG projects having regional implications.

REGIONAL PROJECT ALLOCATIONS 2009

The following set-asides are recommended for the 2008 CDBG Program Year.

A) ASSISTANCE TO CDBG GRANTEES (\$30,000):

In order to assure that grantees will have the assistance they need in complying with the CDBG policies and regulations, \$30,000 will be provided to fund staff at the Bear River Association of Governments to help administer the CDBG grants awarded in Box Elder, Cache, and Rich Counties.

B) PHYSICAL PLANNING, TECHNICAL ASSISTANCE, AND TRAINING TO BENEFIT LOW INCOME COMMUNITIES AND INDIVIDUALS (\$45,000)

\$45,000 will be set aside for BRAG staff to help HUD qualified low income communities develop planning and zoning documents, to provide training to planning officials in low income communities, and technical assistance for projects that will benefit low income individuals.

C) ASSISTANCE TO LOW INCOME FAMILIES FOR WATER/SEWER REPAIRS OR HOOK-UPS AND HOUSING REHABILITATION AND MAINTENANCE (\$43,500):

In order to remedy health hazards associated with failing water and waste water systems and provide urgently needed housing rehabilitation, BRAG will operate a grant/loan program to assist low income families in Box Elder, Cache, and Rich Counties. (\$3,500 program delivery, \$40,000 Emergency Home Repair and Water/Waste Water repair pass through for work completed).

D) DELIVERY OF HOME AND OTHER STATE AND FEDERAL HOUSING PROGRAMS (\$60,000):

In order to assure that low income residents of Box Elder, Cache, and Rich Counties have access to state and federal housing programs, \$60,000 will be set aside for BRAG staff to outreach, determine eligibility and assist individuals and families in accessing available housing resources.

E) FIRST TIME HOME BUYER PROGRAM (\$50,000):

Up to \$2,000 loan to first time low to moderate income home buyers to pay closing costs to purchase their first home. Grantees must complete home ownership workshops. (\$10,000 Program Delivery)

F) ASSISTANCE TO SMALL BUSINESSES, PLANNING FOR LOCAL ECONOMIC DEVELOPMENT INITIATIVES (\$50,000):

\$50,000 will be set aside to provide small business development services such as counseling, resource referral, capacity building; networking with other business service providers; facilitating and coordinating local economic development initiatives, and comprehensive economic development strategic planning.

THRESHOLD & GENERAL CDBG POLICIES 2009

THRESHOLD POLICIES

1. All projects submitted for CDBG funding must be included in the Consolidated Plan for the Bear River District. The sponsoring jurisdiction's Capital Improvement Plan (CIP)/Consolidated Plan Project Table must be formally adopted by the fall of 2007 and submitted to BRAG by December 5, 2008 with the CDBG Application
2. All projects must meet a HUD National Objective as described in the State's 2008 CDBG Application Guide.
3. A preliminary design and architect's/engineer's estimate must accompany all construction projects.
4. Every CDBG contract should be capable of being completed within eighteen months.
5. Applicants who have not satisfactorily completed contract requirements for their previous CDBG project must contract for assistance from BRAG.
6. Consistent with the policies of the State of Utah CDBG program, in order to be eligible, grantees or sub-grantees must have drawn down at least 50% of any prior CDBG funding by BRAG's final adoption of the CDBG allocation.
7. CDBG funds allocated by BRAG may only benefit individuals and families living outside Logan City. Projects that may benefit residents of Logan City must demonstrate that of the total project cost, the percentage of BRAG requested CDBG funds must be at least 5 percentage points less than the percentage of Logan City residents that would benefit from the project.

GENERAL POLICIES

1. Projects must not significantly reduce environmental quality or quality of life.
2. Projects should incorporate energy saving measures.
3. Projects which are to be located within hazardous areas, such as fault zones or flood plains, must be designed to mitigate those hazards.
4. Projects should be located close to the population being served, to prevent sprawl and associated higher service delivery costs.
5. Public benefits from projects should out-weigh costs of increased demand on public facilities.
6. Applicants must demonstrate that they have analyzed alternatives and that this project is the most cost effective.
7. Applicants should demonstrate that other funding sources have been contacted and have been used to the maximum extent possible.
8. Applicant should maximize opportunities for coordination with other agencies, or jurisdictions to avoid duplication of effort and to maximize efficiency.

By signing the following you are confirming that you will adhere to all of the above policies or risk losing eligibility for CDBG funding.

CHIEF ELECTED OFFICIAL

DATE

**CHAIRMAN OF BOARD OF DIRECTORS
OF NON-PROFIT AGENCY** (if applicable)

DATE